



Kody Blois, Chair  
Standing Committee on Agriculture and Agri-food  
House of Commons  
Ottawa, ON K1A 0A6

February 16, 2023

Dear MP Blois and Committee members,

On behalf of the Canadian Produce Marketing Association (CPMA) and Canada's fresh fruit and vegetable industry, I am pleased to share our comments regarding the House of Commons Standing Committee on Agriculture and Agri-food study on food price inflation.

The fresh fruit and vegetable supply chain is a major contributor to Canada's GDP, and to job creation in rural and urban communities from coast to coast to coast. In addition to our sector's economic contributions, we also provide Canadian families with safe and nutritious food that is crucial to supporting their health and well-being. CPMA is in a unique position as an organization representing companies from the farm gate to the dinner plate, spanning the entire produce industry. The Association's members include major growers, shippers, packers and marketers; importers and exporters; transportation and logistics firms; brokers, distributors and wholesalers; retailers and foodservice distributors; and fresh cut operators and processors. In fact, CPMA's more than 830 domestic and international members are responsible for 90% of fresh fruit and vegetable sales in Canada. This diverse membership is reflected in our comments and recommendations below related to food price inflation.

Canadians are increasingly concerned with the rising costs of essentials, including fresh produce, and many are having to make difficult choices about what they can afford. A recent study done by the University of Guelph found that more than 26% of Canadians have reduced their consumption of fruits and vegetables in the past year due to price increases<sup>1</sup>. The latest Statistics Canada numbers suggest that almost 80% of Canadians over age 12 are eating less than five servings of fruits and vegetables per day<sup>2</sup>, resulting in an economic burden that has been calculated at almost \$4.4 billion annually<sup>3</sup>. With food insecurity on the rise across Canada, we know this situation is getting worse.

CPMA's [Half Your Plate](#) campaign is working to provide resources to increase fresh produce consumption in Canada, but greater government support is needed to keep produce accessible to Canadians and make it easier to fill *Half Your Plate* with healthy and nutritious fruits and vegetables. It is imperative that Federal Budget 2023 should be leveraged as an important opportunity for government action to strengthen Canada's food security through a whole-of-government approach that prioritizes access to food and food production in the development and implementation of policy, legislation and crisis management.

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<sup>1</sup> [University of Guelph](#), 2022.

<sup>2</sup> [Statistics Canada](#), 2022

<sup>3</sup> *Krueger Report*, 2016

Increasing overall access to a variety of nutritious food for all communities across Canada, year-round, means supporting the entire agri-food value chain. The impacts of the COVID-19 pandemic, as well as recent devastating weather events and disruptions at ports of entry, have shone a light on the serious potential impacts of such events on food availability in Canada. The past few years have seen a complex, compounding, and continually-evolving set of supply chain disruptions, labour shortages and massive cost increases in everything from crop inputs, fertilizer and equipment to packaging and shipping, threaten both Canada's domestic food security and the long-term economic viability of the fresh produce sector.

While some pain points, such as port congestion and certain cost increases, have eased relative to their peak, overall costs, delays and disruptions remain elevated compared to their pre-pandemic normal – and many are ongoing:

- For example, the geopolitical conflict in Ukraine continues to have a major impact on fertilizer and fuel prices, which have risen exponentially in the past year.
- In addition, labour shortages that have long plagued the fresh produce supply chain remain a critical challenge. CPMA's 2021 report, *Workforce Needs in the Produce Supply Chain* found labour shortages reported by 92% of growers, 75% of wholesalers, and 100% of retailers, with the most significant gap reported in warehouse labour. These labour shortages were reported in both urban and rural areas of Canada, with impacts to businesses' productivity, sales, profitability, access to products and new business development. In fact, the Canadian Agricultural Human Resource Council (CAHRC) has found that labour shortages have cost the fruit and vegetable industry hundreds of millions of dollars<sup>4</sup>.

It is important to emphasize that these challenges are further complicated in the fresh produce sector by the high perishability of our products and the highly globally integrated nature of the fruit and vegetable supply chain. The potential consolidation of smaller agrifood operators due to an inability to compete in this volatile market could pose further risks to the fabric of Canada's rural and urban food systems.

At the same time, we know that the inflationary pressures Canadians are facing are also being felt around the world. The [Global Coalition of Fresh Produce](#), comprised of fresh produce associations including both CPMA and our partners at the Fruit and Vegetable Growers of Canada, recently released a report calling upon national and international policymakers to urgently implement a number of measures to safeguard the supply of affordable fresh fruits and vegetables to consumers worldwide – and ensure the viability of a sector that is an important contributor to the economies of developed and developing countries alike<sup>5</sup>. This report has been enclosed with this covering brief for the Committee's reference.

Fortunately, the challenges of the past few years have also demonstrated that effective solutions can be achieved when government departments, international partners and other stakeholders work together with urgency and dedicated focus. CPMA strongly urges the federal government to take swift, cross-department action to strengthen the Canadian food system and support food security for communities across the country, including through the following recommendations:

- Advance measures promoting the *Canada Food Guide* recommendation to fill *Half Your Plate* with fruits and vegetables, including through funding for the development of a National School Food Policy and a national school nutritious meal program.

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<sup>4</sup> AGRI LMI, Canadian Agricultural Human Resource Council (CAHRC), 2019

<sup>5</sup> [Global Value Chains for Produce: An Urgent Call for Policy Measures](#), Global Coalition of Fresh Produce, January 2023

- Establish priority lanes at ports of entry and expand Trusted Trader programs to further streamline the movement of essential and perishable products across the Canadian border.
- Support measures to enhance government oversight of Canada's ports and to ensure access for fresh fruit and vegetables to transportation networks.
- Commit sufficient, ongoing capital investment to enable infrastructure improvements, including at Canadian ports, and allocate dedicated funding to projects supporting agri-food supply chains, including the enhancement of cold chain infrastructure.
- Apply a total supply chain lens to ensure that all aspects of getting food from the farm to the dinner plate are considered and supported in efforts to address current labour shortages and identify future skills and technology needs for the workforce of the future.
- Commit funding for the implementation of a National Workforce Strategy for Agriculture and Food and Beverage Manufacturing that leverages the knowledge, expertise and recommendations of the work currently being undertaken by the Canadian Federation of Agriculture (CFA), Food and Beverage Canada (FBC) and CAHRC, to improve the labour situation in the agricultural and food processing sectors across Canada.

CPMA was pleased to see the federal government's commitment to developing a National Supply Chain Strategy, and strongly urge the government to use Federal Budget 2023 to prioritize food security within this work and in the implementation of the [National Supply Chain Task Force report](#), as the starting point for more effective cross-governmental collaboration to address supply chain disruptions in the short-term, foster resiliency in the longer-term, and help ensure Canadians can continue to put our essential products on their tables.

On behalf of the fresh fruit and vegetable supply chain, CPMA is grateful to the Committee for the opportunity to share our comments in relation to food price inflation. We would be pleased to answer any questions Committee members may have.

Sincerely,



Ron Lemaire  
President  
Canadian Produce Marketing Association